

Informal Discussion – November 19, 2019

For the past two years, I have sat silently while a parade of people have attacked Commissioner Trombley, Commissioner Beer, and me, knowing that objecting to those attacks would prove fruitless. Now that I have lost the election, I am free to respond. It's my turn.

When John Bradley and I began our campaign, we agreed that character, common sense, and integrity would be of the utmost importance to us. We thoroughly reviewed every document that we posted on our website, every statement that we made in our meetings with the public, every posting on social media, to ensure that our words were both true and supported by documentation from meeting minutes, transcripts from depositions or the court orders from Judge Lock and Judge Henry. I am proud of the campaign we ran, as we held true to those concepts – character, common sense, integrity.

In November of 2017, Bill Beer won election as a commissioner of H2GO. On November 28, however, before he could be sworn in, a majority of the lame duck board, consisting of Commissioners Browning, Antos, and Jenkins, voted to transfer all of the assets of the company, assets valued at more than \$60 million, to the Town of Belville for the sum of "\$10 and other valuable considerations. Mr. Hosmer and Mr. Laub and their followers cheered that action.

The town council of Belville voted the following morning to accept the assets, and by the end of the day all of the documents necessary to effect the transfer had been filed at the courthouse in Bolivia. Hosmer and Laub to this day will argue that Belville was merely acting to safeguard the assets, that they never intended to operate the utility. But court records show that Belville did, indeed, intend to take over H2GO permanently. Their plan was for H2GO to call a special meeting before the newly elected board was organized, and to transfer the employees to Belville. Belville's attorney even stated at the trial that the employees of the company would be wearing H2GO shirts one day, and then the next would have shirts showing that they worked for the Belville Public Works Commission. A contractor for Belville had even designed a logo for that new company, with the legend "H2GO has a new owner, and a new name, but nothing else has changed – same award-winning service."

That plan was thwarted, however, when Commissioner Beer was sworn in on the morning of December 4, as prescribed by state law. In an emergency meeting that morning, the new board voted to rescind the actions taken by the lame duck board at the previous meeting. Meanwhile, Leland had filed suit against both Belville and H2GO, asking that the assets be returned. Superior Court Judge Lock put a hold on everything, subject to a trial. He later allowed H2GO, under the new board, to become plaintiffs, rather than defendants, in the case.

Nearly a year and a half later, Superior Court Judge Henry ruled in favor of H2GO and Leland, stating that the transfer was "unlawful, void and of no effect" and that the previous board of H2GO and of the Town of Belville "...acting in concert, failed to act in good faith, and their actions were so clearly unreasonable as to amount to an oppressive and manifest abuse of their discretion."

Over the past two years, as Mister Hosmer and Mr. Laub and their associates have repeatedly attacked Commissioner Beer, Commissioner Trombley, and me, their actions have allowed me to formulate my own opinions regarding their character, common sense, and integrity. Among those actions are these:

- On December 11, 2017, Mr. Hosmer sent an email to Mayor Allen of Belville stating “I have been working as a citizen to raise awareness and interest in making sure that Belville successfully acquires all of H2GO.”
- In March of 2018, Mr. Hosmer asked to meet with Commissioner Beer and me, purportedly to hear our views on the need for an H2GO-built reverse osmosis plant. In fact, however, that meeting was a set-up, arranged in coordination with Belville’s public information officer. From the court record, Hosmer sent an email to the Belville PIO stating “Bill [Beer] has been stalling...I am staying on him and we will meet sometime soon. Then I’ll follow your lead and let him talk and dig his own hole. Afterwards we can provide contradictory information to his facts and try to turn him...And yes, you have final say on participants”.
- At the November 15, 2018 board meeting, Hosmer and Laub gave personalized, full color booklets to Commissioner Beer, Commissioner Trombley and me featuring many photographs of Brunswick County school children, without permission, with text such as “Which of these children will not grow old because of you?” and “Which one or more of these unsuspecting students will be dead before their 10th high school reunion because of you?” They were reported to the Brunswick County Schools administration and were reprimanded and warned never to use unauthorized pictures of school children again.
- In December of 2018, in a major breach of protocol, Mr. Hosmer wrote a lengthy email to the Superior Court Judge Henry, who was hearing the Belville litigation, asking the judge to discuss related issues with him “...in a confidential phone conversation.” He went on to say “No one besides myself knows or will know that I am contacting you with these questions and I would prefer to keep this email and any ensuing discussion confidential.” As soon as he saw the nature of the email, the judge stopped reading it and passed it on to his assistant to return to Mr. Hosmer with a statement that the email was not appropriate.
- Hosmer, with the assistance of Mr. Laub, and at times the PIO of Belville, has spent two years drafting diatribes against Commissioner Beer, Commissioner Trombley, and especially against me, to be read by their followers during the public comments sections of our board meetings. While our board was in executive session during the May 28, 2019 meeting, Mr. Hosmer told his followers that he had written most of the comments that had been read over the past months and characterized them as “play acting”. Court records even show that some of the comments were complete with stage directions such as “turn to the audience” and “pause for effect”.

- Mr. Hosmer spread a rumor that I had been promised a seat on Leland’s Town Council, an assertion that is absolutely untrue. When asked about this in a candidate interview on WHQR, he justified his actions by stating that he did not start the rumor, he only repeated it.
- In an email to his supporters on August 21, 2019, Mr. Hosmer claimed that I “illegally tried to destroy the partially completed H2GO wells” and that I “apparently considered illegally selling H2GO assets.” Both of those claims had been summarily dismissed in statements made the previous evening by Bob Walker, and in a sworn affidavit signed by Mr. Walker. The claims had originally been advanced by Commissioner McCoy, who later had to admit to the Port City Daily that he had made those claims because he “had the impression Gerken would not mind the wells being rendered inactive.”
- Hosmer and Laub and their associates have repeatedly imputed to me an intention to deliver H2GO to the Town of Leland. I have never expressed an interest in delivering this company to the Town of Leland.

As I stated earlier, these actions and many others have formed my opinions regarding Mr. Hosmer and Mr. Laub with respect to their character, common sense, and integrity. All of those actions, however, are in the past. What really concerns me is what actions they might take in the future, especially my fear that they might attempt to use funds that have been entrusted to the company by our customers to pay Belville’s legal fees from the lengthy and still on-going litigation.

When asked at the League of Women Voters Forum before the election if any of the candidates would consider paying Belville’s legal fees, both Mr. Bradley stated that we would not. Mr. Laub stated that the question was too simplistic – in other words he declined to answer it directly. And Mr. Hosmer stated that paying Belville’s fees was “worthy of consideration.”

Note again the judge’s opinion of the actions of Belville’s mayor and commissioners with regard to the unlawful transactions of November 2017. He stated that “...their actions were so clearly unreasonable as to amount to an oppressive and manifest abuse of their discretion.” To reward those actions by using our customer’s funds to pay their legal bills would only confirm the conclusion that I have already drawn about the character, common sense, and integrity of the new commissioners.